

TENNESSEE HOSPITAL DATA

Introduction

January 2000

Information for *Tennessee Hospital Data* was obtained from summary tabulations of the **Joint Annual Report of Hospitals 1998** (JARH).

Individual reports are completed each year by the licensed hospitals in Tennessee and returned to the Office of Health Statistics and Research for compilation and review. While the compiled JARH of all licensed hospitals is quite detailed, data summarized for this report focuses on trends and changes in short-term nonfederal or general/specialty hospital utilization and finance.

Beginning in 1996, Tennessee hospitals were required to file a separate survey report on each individual hospital, even if it was a satellite hospital. In previous reporting periods, hospital systems containing more than one hospital could submit a single report for the whole system. This change in reporting protocol was needed to provide more specific information regarding hospital resources.

The number of general/specialty hospitals steadily declined from 1989 to 1995. The 1996 change in separate reporting by satellite hospitals resulted in the appearance of an increase in the number of general/specialty hospitals from 124 in 1995. The 1996 and 1997 number of Tennessee general/specialty hospitals actually remained the same as the number in 1995, because the totals of 133 included satellite hospitals which did not previously submit reports. In 1998, the number of general/specialty hospitals and mental health hospitals decreased while the number of federal hospitals remained the same. The number of other long-term hospitals increased over the period of 1989-1998.

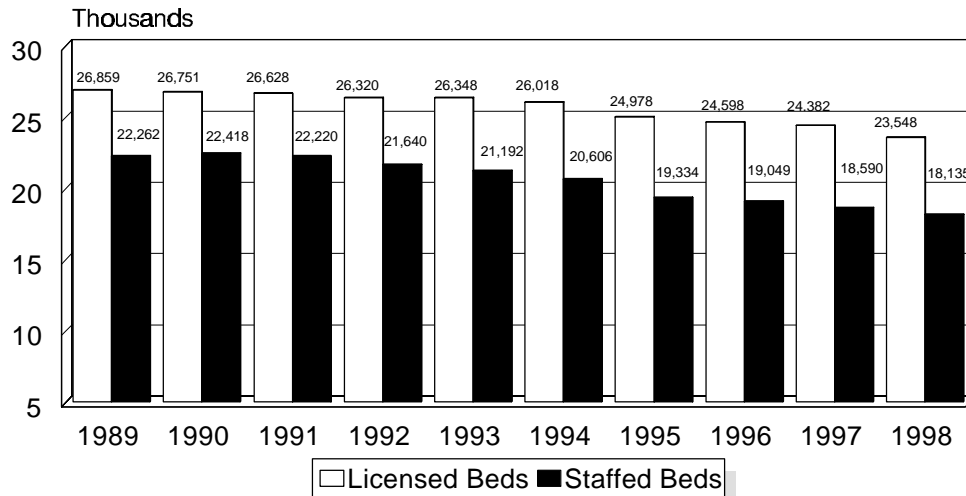
NUMBER OF LICENSED HOSPITALS BY TYPE,
TENNESSEE, 1989-1998

	GENERAL/SPECIALTY	MENTAL HEALTH	FEDERAL	OTHER LONG TERM	TOTAL
Year					
1998	130 *	15	5	15	165
1997	133 *	16	5	13	167
1996	133 *	16	6	11	166
1995	124	16	6	11	157
1994	127	16	6	9	158
1993	130	16	6	7	159
1992	134	16	6	5	161
1991	137	16	6	5	164
1990	138	16	6	3	163
1989	139	16	6	1	162

*Number includes satellite hospitals.

The number of both licensed and staffed beds for short-term nonfederal hospitals decreased from 1989 to 1998. In 1989, there were 26,859 licensed beds for short-term nonfederal hospitals, but this number dropped 12.3 percent to 23,548 in 1998. The number of staffed beds declined 18.5 percent from 22,262 in 1989 to 18,135 in 1998.

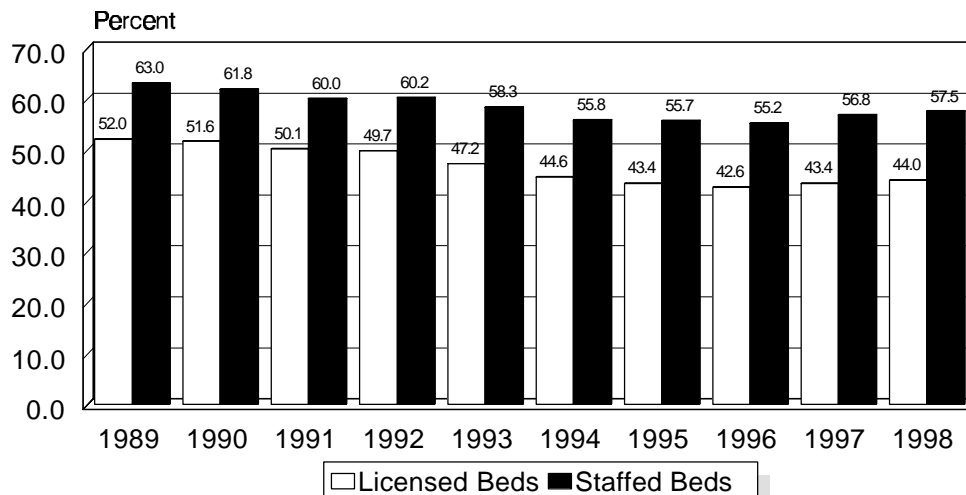
**NUMBER OF LICENSED AND STAFFED BEDS
SHORT-TERM NONFEDERAL HOSPITALS,
TENNESSEE, 1989-1998**



Licensed beds - The maximum number of beds authorized by the state licensing agency or regulated by a federal agency. This figure is broken down into adult and pediatric beds and licensed bassinets (neonatal intensive or intermediate care bassinets). Staffed beds - The total number of adult and pediatric beds set up, staffed, and in use at the end of the reporting period. This number should be less than or equal to the number of licensed beds.

Percent occupancy for Tennessee short-term or general/specialty hospitals based on licensed beds in 1998 was 44.0 and based on staffed beds was 57.5. Occupancy rates declined from 1989 to 1996, but increased in 1997 and 1998 for both licensed and staffed beds. Utilization of inpatient resources has dropped to a point where many licensed beds are not being staffed, and those that are staffed are being underused. In 1998, only 77.0 percent of licensed beds were being staffed.

**PERCENT OCCUPANCY FOR LICENSED AND STAFFED BEDS
SHORT-TERM NONFEDERAL HOSPITALS,
TENNESSEE, 1989-1998**



Tennessee JARH data included admissions, inpatient days, discharges, and discharge patient days. Admissions are the number of adult and pediatric patients (excluding newborns) admitted to the facility during the reporting period. Inpatient days are the number of adult and pediatric days of care rendered during the entire reporting period. Discharges are the number of adult and pediatric discharges (excluding newborns) plus all deaths. Discharge patient days are the total number of days of care rendered to patients discharged during the reporting period (including days of care rendered prior to the beginning of the reporting period). This figure excludes newborns, but includes neonates, patients in swing beds, and deaths.

The average daily census is the average number of patients in a facility on any day of the reporting calendar year. The average length of stay is the average number of days of service rendered to each inpatient before discharge from a facility during a given period (usually a calendar year). The average daily census for general/specialty hospitals declined from 1989 to 1998. The average length of stay also shows a declining trend from 1989 to 1998.

Financial data for the period 1990-1998 shows that the total operating cost for general/specialty hospitals increased from \$4,509,681,980 to \$6,834,065,402. The cost per adjusted patient day increased from \$709.14 to \$1,171.05, and total net revenue increased from \$4,764,913,883 to \$6,956,876,228 for the same period.

The number of admissions or discharges and inpatient/discharge days reported for Tennessee's general/specialty hospitals decreased from 1989 to 1998.

NUMBER OF ADMISSIONS OR DISCHARGES AND INPATIENT/DISCHARGE DAYS
TENNESSEE SHORT-TERM NONFEDERAL HOSPITALS 1989-1998

Year	ADMISSIONS OR DISCHARGES	INPATIENT/DISCHARGE DAYS
1998	731,622	3,754,897
1997	743,033	3,855,565
1996	743,840	3,858,025
1995	745,925	3,962,756
1994	733,958	4,214,597
1993	743,147	4,504,973
1992	758,264	4,759,988
1991	767,961	4,872,876
1990	788,209	5,040,474
1989	799,633	5,080,491

AVERAGE DAILY CENSUS AND AVERAGE LENGTH OF STAY
TENNESSEE SHORT-TERM NONFEDERAL HOSPITALS 1989-1998

Year	AVERAGE DAILY CENSUS	AVERAGE LENGTH OF STAY
1998	10,287	5.1
1997	10,563	5.2
1996	10,570	5.2
1995	10,857	5.3
1994	11,547	5.7
1993	12,342	6.1
1992	13,005	6.3
1991	13,350	6.3
1990	13,810	6.4
1989	13,919	6.4

FINANCIAL DATA FOR TENNESSEE
SHORT-TERM NONFEDERAL HOSPITALS, 1990-1998

Year	TOTAL OPERATING COST	COST PER ADJUSTED PATIENT DAY	TOTAL NET REVENUE
1998	\$6,834,065,402	\$1,171.05	\$6,956,876,228
1997	\$6,555,087,158	\$1,120.00	\$6,991,067,220
1996	\$6,237,863,929	\$1,095.91	\$6,545,922,079
1995	\$5,983,685,899	\$1,060.59	\$6,334,913,216
1994	\$5,870,059,616	\$1,006.33	\$6,102,158,632
1993	\$5,819,326,284	\$ 965.31	\$6,029,618,779
1992	\$5,385,158,895	\$ 860.59	\$5,672,327,901
1991	\$4,922,148,303	\$ 786.14	\$5,194,313,145
1990	\$4,509,681,980	\$ 709.14	\$4,764,913,883

Operating cost - The monetary expense related to running a facility.

Adjusted patient day - An adjustment of inpatient days to allow production of a measure of gross revenue as a ratio to patient care. Gross patient revenue includes inpatient revenue as well as outpatient and newborn revenue. In order for patient day information to be realistically related to gross revenue, inpatient days are adjusted by applying the ratio of gross revenue to inpatient revenue to the reported inpatient days. This is calculated by multiplying inpatient days by gross patient revenue divided by inpatient revenue.

Net patient revenue - Total gross patient charges minus adjustment to charges.

Hospitals continue to derive a greater portion of their income from outpatient sources. Of the hospitals reporting in 1990, 79.3 percent of net patient revenue came from inpatient sources and 20.7 percent came from outpatient sources. In 1996, these percentages had shifted to 67.4 percent inpatient and 32.6 percent outpatient sources, and in 1997, shifted to 66.1 percent inpatient and 33.9 percent outpatient sources. For 1998, these percentages further shifted to 64.5 percent and 35.5 percent respectively. It should be noted that in 1998, net patient revenue from governmental sources constituted 54.0 percent of total net patient revenue compared to 55.0 percent in 1997 and 53.4 percent in 1996. Equivalent calculations for 1990 data indicate that the percent of net patient revenue from government sources was 46.7. Thus net patient revenue from government sources appears to have increased to the point where it is now the major source of revenue for hospitals in Tennessee.

In general, it appears that recent emphasis on controlling Tennessee hospital inpatient utilization through managed care programs seems to be having a noticeable and measurable effect on Tennessee hospital statistical data. Hospital utilization indicators have shown a substantial decrease for the most recent time period. This is in spite of the fact that hospital costs have still been increasing over this same time period. Utilization and revenue have accordingly been shifting from inpatient to outpatient sources.

More detailed data on Tennessee hospital statistics and on individual hospitals may be obtained from the Tennessee Department of Health, Office of Health Statistics and Research or by visiting our website at the address below.

Please visit the Health Statistics and Research and Health Information Tennessee (HIT) pages at the Programs and Services site on the Tennessee Department of Health website <http://www.state.tn.us/health>

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